

that the university's deficit was partly due to a 25 per cent increase in sponsored research in the past two years. "Research funding does not cover the total overhead costs and so the university is left out of pocket."

Senior figures have argued that the new costing strategy will have to be monitored carefully to ensure that it does not damage the research environment it is designed to protect.

David Wallace, vice-president of the Royal Society, said: "I fear that this has been driven by consultants and accountants who almost certainly don't understand what research is about."

"Although it didn't say academics had to keep timesheets, it did imply they had to log time," he said. "If this kind of detail was imposed on academics, it would be a serious risk to our excellent research culture."

In a recent written statement to the government, UUK took a similar line, praising the system but urging: "Requirements on institutions to demonstrate their use of the full economic costing should be proportionate and not represent an additional regulatory burden."

But a spokesperson for the Office of Science and Technology dismissed fears about red tape. He said academics had always to write down how much time they expected to spend on research projects when they were applying for funding, adding: "They will not be audited or policed on it. And there will be no timesheets."

Under the new system the research councils will eventually be expected to cover the full costs of the research they fund. The treasury's ten-year investment plan for science, published last month, included an extra £80 million to move towards this goal. Experts in the sector estimate that the councils should soon be able to cover about 70 per cent of costs, leaving universities to find the remaining 30 per cent.

A spokesperson for the Association of Medical Research Charities, whose members fund a substantial proportion of UK

biomedical research as well as university infrastructure projects, supported the new proposals but emphasised that their funding was quite distinct from that of the research councils. "Because of the difference in their cultures and purpose, charities will not fund research in the same way as the research councils, which pay an agreed percentage of costs." Some charities fear that the need for universities to meet some of the overhead costs of their project might lead to a shunning of funds from the sector. But the spokesperson believed that "universities should not see charity funding as an obstacle or a problem".

The government has planned an extra £90 million to the Higher Education Funding Councils to allow universities to support the cost of charity-funded university research.

While most universities insist they will play by the book and charge for all the costs they identify, there are fears that a few might try to undercut their competitors with artificially low bids.

There is a potential problem of universities putting expensive people into principal investigator positions instead of junior staff. That would mean the junior person who was going to be co-principal investigator would no longer get a foot on the ladder.

The OST said that it was aware of the anxieties, but it insisted that it did not want to introduce regulations to deal with problems that may never occur.

Problems facing modern university managements have been highlighted by a book published earlier this month by an academic at Cambridge University. The university is phenomenally successful in terms of research, but, Gillian Evens, chair of medieval theology and intellectual history, believes the management structure of the university has led to severe problems.

One of the hopes for the new scheme is that highly successful universities such as Cambridge can be helped to put their research funding into the black.

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## UK cloning moves prompt questions abroad

Germany, along with many other countries, is pondering Britain's decision to allow a short-term, limited licence to clone human embryos for research. **Michael Gross** reports.

This summer's silly season in Germany was not what it used to be. Certainly, there was some entertainment ranging from chancellor Schröder and his fourth wife adopting a Russian orphan child, through to the nation-wide wasp infestation, bad weather, and Olympic medals or lack thereof, not to mention the renewed row over orthographical matters. But some serious political concerns continued to pop up, utterly spoiling the seasonal fun.

The fear of losing out in the current reforms of the welfare system drove many people to the streets. But academic and research matters have also raised their head during this summer season. The constitutional court toppled the federal law introducing junior professorships on the grounds that it violated state autonomy in educational matters. And the news that the British authorities had granted permission for therapeutic cloning launched another big bioethics debate. Germany was just one of many countries pondering the research and ethical implications of that landmark decision.

Among the industrialised countries, Germany has some of the most restrictive legislation on cloning research. As human life is protected by law from the very moment when a sperm merges with an egg cell (no matter whether this happens *in vitro* or *in vivo*!), any research involving the destruction of blastocysts is strictly forbidden. Researchers may import human embryonic stem (ES) cells subject to an individual licence from a national authority, and only if the cell lines

were generated before January 1st 2002.

The news from Newcastle, in northern England, where researcher Miodrag Stojkovic obtained the go-ahead for his project involving therapeutic cloning, quickly alerted the German press to the fact that Stojkovic, his research assistant wife, and one of his PhD students are refugees from German universities, where their current research would earn them several years in prison. Others have moved to Sweden, or even to the USA, where stem cell research is barred from federal funding, but at least not generally forbidden.

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From August 18th to 19th, Germany's 25-strong national ethics council held a two-day meeting without coming to an agreement. While the council is unanimous in upholding the ban on reproductive cloning, the views on therapeutic cloning range from total rejection through to a case-by-case permission following the example of the UK. The council announced that it will release a document including the different views in September, when the cloning debate will also be on the agenda of the UN. The council's chairman, law professor Spiros Simitis, admitted that the council failed to come up with a recommendation and suggested privately that the government should reintroduce the debate into parliament. As an opinion poll



**Pondering:** Legislators and academics in Germany and elsewhere are considering the implications of the UK's decision to allow the limited cloning of human embryos for research purposes. (Picture: Associated Press.)

commissioned by the news weekly *Der Spiegel* shows that two thirds of the voters are opposed to following the British lead, the government has kept its head down. "There is no majority for a change of the ban on cloning," an official from the research ministry stated. Observers tend to assume that Schröder, who takes pride in his close relations with industry, would be in favour of a more permissive cloning law which might boost the fledgling German biotech industry. Similarly, his research minister, Edelgard Bulmahn, would probably wish for such a move, but is currently tied up in damage limitation following the defeat in the constitutional court over university reform. The justice minister Brigitte Zypries is so far the only member of the government who has openly asked to reconsider whether an early stage blastocyst does own the 'dignity of the human being' which in the current situation provides it with the unconditional protection by the constitution (*Current Biology* 2003, 13, R937).

Among the members of the ethics council, Jens Reich, a highly regarded former GDR dissident, has argued that whatever constructs are generated by cloning are not good enough to deserve the constitutional protection. The research organisations, including the Deutsche

Forschungsgemeinschaft (DFG, the major public funding agency) have spoken out in favour of change, but their vote might be counted as predictable and not very influential with the parliament or the wider public.

Meanwhile, those who believe that Christian morality rules out any research with human embryos insist that the current restrictive legislation should not be touched or even debated at all. This view is represented by a theologian in the ethics council as well as by some members of the ruling Green Party and many in the Christian Democrat opposition. By and large it appears that the cross-party majority that inflicted the current legislation on a reluctant government is still holding strong.

Thus, Schröder may have to wait a little bit longer before he can throw this controversial topic into the parliamentary debate again without risking a crushing defeat. The trouble is that any further delay will contribute to the brain drain and help to slow down German biotech. On the other hand, the chancellor will be quite busy with saving his welfare and university reforms, and looking after that orphan child.

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